

KADLEC MEDICAL CENTER

HOUSE-WIDE

POLICY AND PROCEDURES

Section: Finance

TITLE: Financial Assistance Program	POLICY: X PROCEDURE: X GUIDELINE: STANDARD:	NO. 0224
Key Words: aid, charity care, waived, reduced	EFFECTIVE DATE: 8/13/07	PAGE 1 OF 2
ADMINISTRATIVE APPROVAL: Signed by Rand Wortman, CEO	SUPERSEDES: 11/04, 5/02, 7/96, (203.4), 4/90, 12/85	
COMMITTEE APPROVAL/REVIEW: ET 7/11/07; FINANCE 7/25/07; BOARD 7/31/07		
DEVELOPMENT TEAM/AUTHOR(S): PFS		
AUDIT REVIEW: (By and Date) PFS 4/99; PFS 3/02		

PURPOSE:

To provide financially indigent patients assistance with medical expenses through the hospital's Financial Assistance Program in compliance with Washington State guidelines. ("Patient" in this policy refers to the party who is financially responsible for the patient, e.g. a parent, where appropriate.)

POLICY:

Kadlec Medical Center is committed to the provision of health care services to all persons in need of medical attention, and will not deny necessary health care to any individual because of his/her inability to pay, according to the policy stated herein. Persons who qualify may receive hospital services at no charge or less than routine charge.

The Financial Assistance Program depends on Kadlec Medical Center's financial ability to help patients, and does not include elective or cosmetic procedures and charges for other than hospital services. Not included are any services that are eligible for payment from other sources such as: Department of Social & Health Services (DSHS), Medicare, third party liability or insurance. Any payment sources or insurance for which the patient is eligible must be declared and assigned to the hospital before financial assistance can be made available.

Kadlec Medical Center will post notices in the Emergency Department and the admissions office informing patients that financial assistance may be available.

PROCEDURE:

All individuals seeking medical care, inpatient, outpatient and emergency room services are screened for method of payment. When it appears a patient may be indigent, e.g. uninsured and underinsured, that individual may be presented with Kadlec Medical Center's Questionnaire (see KMC Form #1081) to determine eligibility.

Applications for the Financial Assistance Program (see KMC Form #1079) are to be completed and signed by the patient (or the patient's representative). Proof of income should be provided, as described below, and the hospital will retain a copy with the application. All information submitted should have supporting documentation available on request. Information given to Kadlec Medical Center will be considered confidential. In the event that the responsible party's identification as an indigent person is apparent to Kadlec Medical Center personnel, and the hospital can establish that the applicant's income is clearly within the range of eligibility, the hospital will grant Financial Assistance based solely on the initial determination. In these cases, complete verification or documentation is not required in accordance with Washington State law. If a patient cannot provide documentation, the patient must provide a written statement regarding income and family size, together with an explanation as to why documentation is not available, which the hospital will consider in determining eligibility for financial assistance.

KADLEC MEDICAL CENTER

POLICIES & PROCEDURES

TITLE: Financial Assistance Program	DATE: 8/13/07	NO. 0224	Page 2 of 2
--	----------------------	-----------------	--------------------

Any of the following documentation will be acceptable for determining eligibility for the Financial Assistance Program:

- IRS tax return copy for the most recently filed year
- Payroll check stubs
- Unemployment compensation determination
- Medicaid or medical assistance rejection
- W-2s
- A written statement from an employer or DSHS or similar agency

Kadlec Medical Center may verify from listed references information given on the application. Copies of documentation will be retained with the application whether approved or denied.

Kadlec Medical Center will also consider the following in determining eligibility:

- Bank Statements
- Rental receipts including subsidy information
- Dependent birth certificates
- Statements of accounts owing

The applicant will be notified of approval or denial for Financial Assistance after receipt of completed application and documentation. In addition the applicant will be given reason for a denial and information regarding an appeal, including the opportunity to provide additional information. The applicant may be requested to furnish additional information or documentation before final determination is made. Any patient who fails to complete the application for the Financial Assistance Program, including providing available information, is regarded as abandoning the application and will be responsible for the full amount of hospital charges.

The Financial Assistance Program will be available to patients whose family income is 300 percent or less of the Federal Poverty Guidelines and individual financial circumstances will be used in conjunction with Federal Poverty Income Guidelines (see Attachment A) for determination of individual Financial Assistance Program write-offs. Family size and financial situation will determine the patients' financial responsibility, which is a percentage of charges, as displayed at the bottom of the Federal Poverty Income Guidelines. Kadlec Medical Center may require information regarding the following in order to determine a patient's eligibility for reduced charges if the patient's income exceeds 200% of the Federal Poverty Guidelines:

- Family assets, including bank statements;
- The patient's future earning capacity;
- The existence of other extraordinary family expenses; including rent expenses; and
- The patient's ability to make payments over time, as reflected by a third party credit report or other documentation.

Kadlec Medical Center will review its cost to charge ratio yearly to ensure the amount billed to the patient for all applicants between 200% and 300% of the Federal Poverty Income Guidelines is no greater than 130% of its cost to charge ratio.

Under some circumstances Financial Assistance may be approved for patients not meeting the above criteria. Kadlec Medical Center may write these amounts off as Catastrophic Financial Assistance for patients with family income in excess of 300 percent of federal poverty level when circumstances indicate severe financial hardship or personal loss. Criteria defined in guidelines are subject to change by the hospital as circumstances dictate.

*****Attachment may be updated as needed without change in policy.***

JANUARY 2008

FEDERAL POVERTY GUIDELINE GROSS ANNUAL INCOME

FAMILY SIZE	200%	225%		250%		275%		300%	
1	20,800	20,801	23,400	23,401	26,000	26,001	28,600	28,601	31,200
2	28,000	28,001	31,500	31,501	35,000	35,001	38,500	38,501	42,000
3	35,200	35,201	39,600	39,601	44,000	44,001	48,400	48,401	52,800
4	42,400	42,401	47,700	47,701	53,000	53,001	58,300	58,301	63,600
5	49,600	49,601	55,800	55,801	62,000	62,001	68,200	68,201	74,400
6	56,800	56,801	63,900	63,901	71,000	71,001	78,100	78,101	85,200
7	64,000	64,001	72,000	72,001	80,000	80,001	88,000	88,001	96,000
8	71,200	71,201	80,100	80,101	89,000	89,001	97,900	97,901	106,800
9	78,400	78,401	88,200	88,201	98,000	98,001	107,800	107,801	117,600
10	85,600	85,601	96,300	96,301	107,000	107,001	117,700	117,701	128,400
Patient Obligation	0%	20%		40%		50%		60%	

INDIVIDUAL CHARITY DETERMINATION WILL BE BASED ON THE ABOVE CRITERIA

Updated as Federal guidelines change